

CHANCELLOR'S DOCTORAL INCENTIVE PROGRAM

CDIP LOAN CANCELLATION MODELS

Two typical CDIP loan forgiveness models are provided in the following. Please note that numbers may vary depending on individual situations.

CDIP PROGRAM TYPICAL CANCELLATION MODEL (20% CANCELLATION)

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
Balance	30,000	24,000	18,000	12,000	6,000	0
Cancel 20%	6,000	6,000	6,000	6,000	6,000	0
Interest on balance after cancellation (5%)	1,200	900	600	0	0	0
Total amount of loan cancellation	7,200	6,900	6,600	6,000	6,000	0
Amount reported each of 10 months as income	720	690	660	600	600	0
Amount withheld each of 10 months as taxes	235.08	225.29	215.49	195.9	195.9	0

CDIP PROGRAM TYPICAL CANCELLATION MODEL (10% CANCELLATION)

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11
Balance	30,000	27,000	24,000	21,000	18,000	15,000	12,000	9,000	6,000	3,000	0
Cancel 10%	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	0
Interest on balance after cancellation (5%)	1,350	1,200	1,050	900	750	600	0	0	0	0	0
Total amount of loan cancellation	4,350	4,200	4,050	3,900	3,750	3,600	3,000	3,000	3,000	3,000	0
Amount reported each of 10 months as income	435	420	405	390	375	360	300	300	300	300	0
Amount withheld each of 10 months as taxes	142.03	137.13	132.23	127.34	122.44	117.54	97.95	97.95	97.95	97.95	0